

MEMORANDUM

TO: Health Services and Development Agency

FROM: Jim Christoffersen, General Counsel

RE: Meadowbrook Health Care Center – Request for Agency Determination

DATE: April 20, 2018

Meadowbrook Health Care Center [Meadowbrook] has requested an Agency determination as to whether a certificate of need [CON] is required to replace an existing Health Care Institution on land directly across the street.

Procedure:

Agency Rule provides that an Agency determination represents a formal opinion of the Agency. Agency determinations are initially analyzed and drafted by staff, and presented to the full Agency during a regularly scheduled Agency meeting. The Agency may then adopt, reject, or modify staff's recommendation.¹

Staff Recommendation:

Agency Staff recommends that the Agency determine that a CON is required in this specific instance because T.C.A. § 68-11-1607(a)(5) requires a CON for a change in the location of or the replacement of existing or certified facilities providing health care services and health care institutions.

1. Change in Location

A “certificate of need” means a permit granted by the health services and development agency to any person for the establishment or modification of a health care institution, facility, or covered health service, at a *designated location*.² Both the Agency and its staff have issued determinations that a parcel of property *adjacent* to the CON approved parcel of property may be considered part of the same *designated location*. Neither the Agency nor its staff have issued determinations that a parcel of property separated by a public road constitutes the same site or location. In 2007, Eye Surgery Center of Chattanooga, LLC received a CON for the expansion of and partial relocation of an ASTC to expand directly across a public road.

¹ Tenn. Rules & Regs. 0720-8-.03(4)

² T.C.A. § 68-11-1602

2. Replacement of Existing or Certified Facilities Providing Health Care Services and Health Care Institutions

Meadowbrook is an existing licensed 83 bed nursing home located at 1245 East College Street, Pulaski, Tennessee 38478. The existing Facility holds nursing home license #92. As such, it is considered a health care institution under T.C.A. § 68-11-1602. Meadowbrook's request for an Agency Determination acknowledges that it seeks to *replace* its nursing home with a modern facility across the street. T.C.A. § 68-11-1607(a)(5) requires a CON for the *replacement* of existing or certified facilities providing health care services and health care institutions. The Agency has the discretion to interpret its statute, but only within the clear, plain meaning of the words in that statute.